

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Fairforest Lumber Sales Inc

South Carolina Manufacturing Extension Partnership

Fairforest Lumber Revamps Facility For Big Cost Savings

Client Profile:

Fairforest Lumber Sales, Inc. in Spartanburg, South Carolina, manufactures pre-cut lumber in specified grades and sizes to customers throughout the southeastern United States. Although the company's product is used mainly for truss assembly, Fairforest Lumber also manufactures pallets on request. Average annual sales are between \$4-5 million. Founded in 1995, the facility employs about 30 people.

Situation:

Fairforest Lumber has had a classic bottleneck problem on its line since the company's inception several years ago. After the product is graded and sorted, it is distributed to various locations on the company grounds. This method of processing requires many non-value-added steps, especially in queue times where the product is waiting for further processing, and labor costs exceeded budget. Fairforest is the sole supplier of truss assembly material to Boozer Lumber in Columbia, South Carolina. Boozer Lumber is a client of the South Carolina Manufacturing Extension Partnership (SCMEP), a NIST MEP network affiliate. When Fairforest saw the results of SCMEP's project at Boozer, the company invited SCMEP to visit its plant to address the bottleneck issue.

Solution:

SCMEP assessed Fairforest Lumber's bottleneck problem and offered a recommendation that could solve the problem. Working closely with Fairforest, SCMEP designed a new facility layout that eliminated as many of the non-value-added steps from the process as possible. With engineering assistance, SCMEP gathered measurements of required workspace and current machines, and applied that data to a design for a more efficient facility. Fairforest Lumber implemented the new facility layout. SCMEP also assisted Fairforest personnel with capacity analysis and the establishment of basic labor standards to be used in scheduling, costs, and variance analysis. In another project, SCMEP provided training and implementation of a material requirements planning (MRP) system. As a result, Fairforest Lumber has experienced a total cost savings of over \$400,000 and has increased not only sales numbers, but also manufacturing performance and productivity.

Results:

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Increased and retained sales in the amount of \$1.2 million.

Experienced cost savings of \$400,000.

Increased utilization of technology.

Enhanced productivity.

Implemented better business management processes.

Testimonial:

"I saw firsthand the positive results the South Carolina Manufacturing Extension Partnership was able to bring to [our customer] and became convinced they could help provide the solution to our problem."

Eric Foust, President